

1928

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TWENTY-FOURTH ANNUAL REPORT
OF
BETHLEHEM STEEL CORPORATION

Fiscal Year Ended December 31, 1928

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TWENTY-FOURTH ANNUAL REPORT

OF

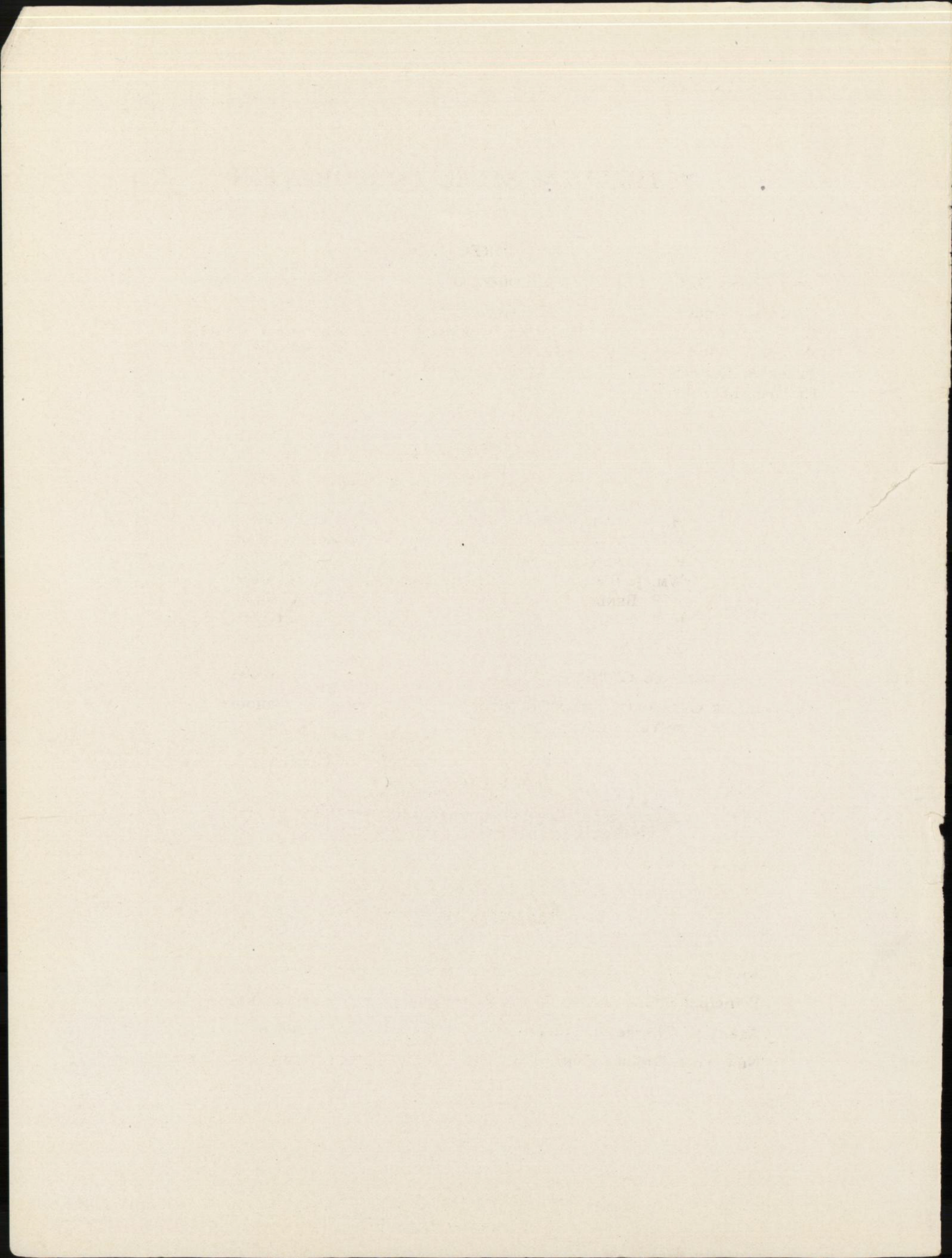
BETHLEHEM STEEL CORPORATION

Fiscal Year Ended December 31, 1928

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BETHLEHEM STEEL CORPORATION

DIRECTORS

Term Expires 1929

C. AUSTIN BUCK
O. G. JENNINGS
WILLIAM C. POTTER
PERCY A. ROCKEFELLER
CHARLES M. SCHWAB

Term Expires 1930

H. G. DALTON
ARCHIBALD JOHNSTON
H. E. LEWIS
ALVIN UNTERMYER

Term Expires 1931

WILLIAM E. COREY
EUGENE G. GRACE
GRAYSON M.-P. MURPHY
F. A. SHICK

OFFICERS

CHARLES M. SCHWAB,	Chairman of the Board
EUGENE G. GRACE,	President
H. E. LEWIS,	Vice-President
JAMES H. WARD,	Vice-President
R. E. McMATH,	Secretary
WM. J. BROWN,	Treasurer and Asst. Secretary
J. P. BENDER,	Asst. Treasurer
F. A. SHICK,	Comptroller

GENERAL COUNSEL

CRAVATH, DE GERSDORFF, SWAINE & WOOD,
New York City.

AUDITORS

PRICE, WATERHOUSE & Co.,
New York City.

REGISTRAR OF STOCK

GUARANTY TRUST COMPANY OF NEW YORK,
New York City.

STOCK TRANSFER DEPARTMENT

25 BROADWAY, NEW YORK CITY.

Incorporated: DECEMBER 10, 1904, IN THE STATE OF NEW JERSEY.

Principal Office of the Corporation: 755 BROAD STREET, NEWARK, N. J.

Agent in Charge of Office: FIDELITY UNION TRUST COMPANY.

New York Office: CUNARD BUILDING, 25 BROADWAY, NEW YORK CITY.

OFFICIALS OF OPERATING COMPANIES

GENERAL OFFICIALS

E. G. GRACE, *President*

H. E. LEWIS, *Vice-President*

R. E. McMATH, *Vice-President and Secretary*

J. P. BENDER, *Treasurer*

N. BERKELEY, *Assistant Secretary*

W. E. HESS, *Assistant Secretary*

W. J. BROWN, *Asst. Secretary and Asst. Treas.*

ARNOLD FOSTER, *Assistant Treasurer*

W. L. ACHENBACH, *Assistant Treasurer*

R. S. A. DOUGHERTY, *Manager, in Charge*

Development, Research and Patents

F. A. SHICK, *Comptroller*

W. L. LEWIS, *Assistant Comptroller*

R. H. SCHLOTTMAN, *Assistant Comptroller*

J. M. LARKIN, *Assistant to President,*
in Charge of Industrial Relations

C. R. HOLTON, *Purchasing Agent*

C. B. MINNES, *Assistant Purchasing Agent*

F. H. BURNETT, *Claims Agent*

W. S. RUTHERFORD, *Manager of Orders*

OPERATIONS

Steel Plants

Q. BENT, *Vice-President*

R. A. LEWIS, *General Manager,*
Bethlehem Plant

L. R. CUSTER, *General Manager,*
Cambria Plant

H. A. WHITAKER, *General Manager,*
Coatesville Plant

T. BURNS, *General Manager,*
Lackawanna Plant

J. H. EDMONDS, *General Manager,*
Lebanon Plant

S. J. CORT, *General Manager, Maryland Plant*

F. A. ROBBINS, JR., *General Manager,*
Steelton Plant

Raw Material Properties

C. A. BUCK, *Vice-President*

T. R. JOHNS, *General Manager,*
Coal Properties

M. L. JACOBS, *General Manager,*
Limestone Properties

A. F. PETERSON, *General Manager,*
Cornwall Ore Mines

E. J. QUACKENBUSH, *General Manager,*
Chile Ore Properties

A. T. DeSERRANO, *General Manager,*
Cuba Ore Properties

SALES

General Sales

PAUL MACKALL, *Vice-President*

H. G. WALTON, *General Manager of Sales*

West Coast

J. J. TYNAN, *Vice-President*

Structural and Plate Sales

G. H. BLAKELEY, *Vice-President*

E. E. GOODWILLIE, *General Manager of Sales*

Export

W. H. STEWART, *Vice-President*

OPERATIONS AND SALES—RAILWAY CARS AND MACHINERY

G. W. STRUBLE, *Vice-President*

C. W. WEAVER, *General Manager,*
Harlan Plant

L. FISHER, *General Manager, Moore Plant*

TRANSPORTATION

J. M. GROSS, *Vice-President*

H. C. CRAWFORD, *Traffic Manager,*
in Charge of Rail Transportation

H. W. WARLEY, *Traffic Manager,*
in Charge of Water Transportation

OPERATIONS AND SALES—SHIPBUILDING AND SHIP REPAIRS

East Coast

S. W. WAKEMAN, *Vice-President*

H. E. D. GOULD, *General Manager,*
Fore River Plant

J. M. WILLIS, *General Manager,*
Baltimore Plant

G. W. STEBBINS, *Superintendent, Boston Plant*

West Coast

J. J. TYNAN, *Vice-President*

A. S. GUNN, *General Manager*

BETHLEHEM STEEL CORPORATION

Newark, New Jersey,
March 18, 1929.

To the Stockholders:

The Board of Directors submits herewith the following report of the business and operations of your Corporation and its subsidiary companies for the fiscal year ended December 31, 1928, and of the condition of its properties and finances at the close of that year.

INCOME ACCOUNT FOR THE YEAR 1928

TOTAL INCOME of the Corporation and its subsidiary companies	\$43,521,136
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Less:

Interest charges, including premium on securities redeemed	11,276,879
	\$32,244,257

Deduct:

Provision for depletion, depreciation and obsolescence	13,658,335
Net income for the year	\$18,585,922

The value of shipments and deliveries by subsidiary companies of your Corporation during the year, as represented by gross sales and earnings, was \$294,778,287 as compared with \$271,502,891 for the preceding year. The net income of \$18,585,922 for the year compares with \$15,826,142 for the preceding year.

The value of orders booked during the year aggregated \$295,209,483 as compared with \$280,199,101 for the year 1927. The unfilled orders on December 31, 1928, amounted to \$59,040,202 as compared with \$58,609,006 on December 31, 1927.

Full dividends were paid on the outstanding Seven Per Cent. Cumulative Preferred stock during the year, and on January 24, 1929, your Board of Directors declared the regular quarterly dividend on the Preferred stock payable April 1, 1929, and also a dividend of one per cent. upon the Common stock, payable May 15, 1929.

In order to supplement its facilities for ship repair work Bethlehem Shipbuilding Corporation, Ltd., on July 6, 1928, purchased the plant of The Atlantic Works at Boston, Massachusetts, and in part payment therefor assumed \$422,500, principal amount, of First Mortgage Fifteen Year Six Per Cent. Sinking Fund Gold Bonds of The Atlantic Works, dated January 1, 1923.

\$5,254,125, principal amount, of bonds of various issues were paid or purchased for the treasury during the year, and for the first time since 1923, the funded debt of your Corporation at the end of the year was less than \$200,000,000.

30,000 shares of Seven Per Cent. Cumulative Preferred stock of your Corporation which had previously been authorized but unissued were sold to the employees of your Corporation under the "Employees' Saving and Stock Ownership Plan."

The cash expenditures for Additions and Improvements to Properties during the year amounted to \$19,943,804. The estimated cost of completing the construction authorized and in progress as of December 31, 1928, is \$10,300,000.

The construction now in progress comprises numerous miscellaneous items which are incidental to the normal development of the business of your Corporation and which will afford further savings in operating costs.

The large rebuilding and modernization program referred to in our last report was completed in 1928. The cost of additions and improvements to properties made by your Corporation in the years 1923 to 1928, inclusive, totaling \$157,032,259, was paid largely out of earnings and depreciation, maintenance and other reserves, supplemented by the proceeds of \$35,000,000, par value, of Seven Per Cent. Preferred stock sold in 1926. Between March 30, 1923, when the Midvale-Cambria purchase was consummated, and December 31, 1928, earnings in excess of dividends paid were \$46,516,977, and the net increase in the depreciation and other reserves amounted to \$99,244,821. During the same period there has been a net decrease in the funded debt of your Corporation of \$17,105,448, and an increase in net current assets of \$10,805,476, the item of cash and marketable securities alone having increased by \$13,786,705 to a total of \$57,698,774 on December 31, 1928.

As stated in our annual report for the year 1924, following the acquisition of the Lackawanna, Midvale and Cambria properties, there was taken up in the appropriated surplus account of your Corporation a net amount of \$45,514,334.92, representing the surplus as shown on the books of those companies after certain adjustments. After the adoption of the construction program involving the immediate rehabilitation of a considerable portion of the newly acquired plants, your Directors deemed it advisable to provide a greater amount to cover depreciation and amortization of plant values than had normally been provided in the accounts of the Lackawanna, Midvale and Cambria companies and accordingly made such provision by transferring \$25,514,334.92 from the appropriated surplus account. The construction program now having been completed your Directors deemed it advisable to transfer from the appropriated surplus account the remaining \$20,000,000 as an additional provision for amortization, and this account has accordingly been adjusted as shown in the accompanying statements.

The year 1928 was one of well sustained activity in the steel industry. The previous record for the production of steel in this country made in 1926 was exceeded by over 3,000,000 tons, an increase of approximately 6.5%. Operations of your Corporation averaged 82.0% of capacity during the year 1928 as compared with 73.6% in 1927 and 81.1% in 1926.

The rated steel capacity of your Corporation was increased to 8,000,000 tons per annum and its pig iron capacity to 6,960,000 tons per annum, effective in both cases on January 1, 1929. Both increases resulted from improvements and more modern designs incorporated in old furnaces which have been rebuilt.

Your Corporation sold during the year the structural fabricating shop at Buffalo, New York, which was acquired in 1922 as a part of the Lackawanna purchase.

At the end of the year 12,121 employees were the holders of record of 84,854 shares of the Preferred stock of your Corporation purchased and paid for under the "Employees' Saving and Stock Ownership Plan" described in our report for 1923, and 26,833 employees were paying in installments for an additional 62,034 shares. In the sixth offering under the Plan, made on February 1, 1929, shares of the Preferred stock were again offered, at the price of \$122 per share.

Your Corporation has continued to assist its employees to buy their own homes as referred to in our annual report for the year 1927. During the year 246 homes of a total value of \$1,634,347 were financed under the plan. A total of 4,713 employees have thus been enabled to buy their homes for prices aggregating \$19,560,043, of which only \$3,137,675 remains due your Corporation, which is being paid with interest in monthly installments over a term of years.

Your Corporation during 1928 paid \$517,446 in pensions to retired employees as compared with \$487,376 for the previous year. During the year

144 pensions were granted and 107 were terminated by death or other causes. At the end of the year there were 1,077 retired employees on the pension list.

The Relief Plan which was referred to in our report for 1926 and which provides uniform benefit payments to employees in case of their sickness or to their dependents in case of their death continues in successful operation. At the end of the year more than 95% of the employees of your Corporation and its Subsidiary Companies in the United States were participating in the Plan, and during the first two years and seven months of operation \$2,206,604 was paid under the Plan to sick or disabled employees or to the dependents of deceased employees out of contributions by the participating employees made in the form of pay-roll deductions.

The number of stockholders at the end of the year was 56,882 of whom 2,653 held both Preferred and Common stock. The number of Preferred holders was 36,394 and of Common 23,141.

Your Board of Directors records with deep regret the death on May 26, 1928, of Mr. Moses Taylor, who had been a director of your Corporation since October 26, 1922.

The accounts of your Corporation and its Subsidiary Companies for the year have been audited by Price, Waterhouse & Co., and their certificate appears on page 11.

Your Board of Directors takes pleasure in acknowledging the loyal and efficient services of the officers and employees of your Corporation and its Subsidiary Companies.

By order of the Board of Directors.

CHARLES M. SCHWAB,
Chairman of the Board of Directors.

EUGENE G. GRACE,
President.

VOLUME OF BUSINESS

	1928		1927	
	Rolled steel and other finished products (gross tons)	Total value of business (a)	Rolled steel and other finished products (gross tons)	Total value of business (a)
Orders received	4,547,423	\$295,209,483	4,062,007	\$280,199,101
Billings	4,537,555	294,778,287	3,971,811	271,502,891
On hand Dec. 31	667,787	59,040,202	657,919	58,609,006

(a) Includes, in addition to value of products shown in preceding column, value of all other products and other business not measured by the ton unit.

PRODUCTION

	1928 (gross tons)	1927 (gross tons)
Ore	7,013,742	6,791,550
Limestone	1,881,921	1,753,153
Coal	7,854,774	7,382,626
Coke	4,938,680	4,557,923
Pig iron and ferro-manganese	4,722,136	4,315,509
Open hearth, bessemer and electric steel	6,478,981	5,590,754
Rolled steel and other finished products for sale	4,542,385	4,006,612

RATE OF OPERATION

	Percent of steel produced to rated capacity*	
	1928	1927
First Quarter	79.6%	79.8%
Second Quarter	82.5%	75.6%
Third Quarter	82.3%	69.3%
Fourth Quarter	83.7%	69.5%
AVERAGE	82.0%	73.6%

* Capacity 1927, 7,600,000 gross tons; 1928, 7,900,000 gross tons.

EMPLOYEES AND WAGES

(United States only)

	1928	1927
Average number of employees	62,039	61,978
Total wages	\$114,437,334	\$111,193,699
Average earnings per hour (exclusive of general administrative and selling force)	64.2¢	63.8¢

COMPARATIVE INCOME ACCOUNT BY QUARTERS

	Total income	Interest charges	Depletion, depreciation and obsolescence	Net income	Preferred dividend	Common dividend	Surplus	Per share common stock after deducting dividends on preferred stock
1923								
First Quarter (a) . . .	\$ 5,317,448	\$ 2,609,834	\$ 1,978,978	\$ 728,636	\$ 1,077,921	\$ 1,030,659	\$*1,379,944	* \$.42
Second Quarter . . .	11,601,682	3,245,082	2,930,129	5,426,471	1,079,851	2,244,358	2,102,262	2.42
Third Quarter . . .	10,518,950	3,197,837	2,920,511	4,400,602	1,080,207	2,245,741	1,074,654	1.85
Fourth Quarter . . .	9,935,148	3,270,245	2,846,460	3,818,443	1,080,274	2,246,316	491,853	1.52
Total	\$37,373,228	\$12,322,998	\$10,676,078	\$14,374,152	\$ 4,318,253	\$ 7,767,074	\$ 2,288,825	(b)\$6.46
1924								
First Quarter	\$10,549,149	\$ 3,079,598	\$ 2,949,676	\$ 4,519,875	\$ 1,075,021	\$ 2,247,571	\$ 1,197,283	\$1.91
Second Quarter . . .	7,400,894	3,189,173	2,933,444	1,278,277	1,075,110	.....	203,167	.11
Third Quarter	6,495,731	3,466,107	2,927,457	102,167	1,075,129	.....	* 972,962	* .54
Fourth Quarter . . .	9,550,715	3,498,539	3,036,314	3,015,862	1,075,323	.....	1,940,539	1.08
Total	\$33,996,489	\$13,233,417	\$11,846,891	\$ 8,916,181	\$ 4,300,583	\$ 2,247,571	\$ 2,368,027	\$2.56
1925								
First Quarter	\$10,399,316	\$ 3,337,594	\$ 2,990,205	\$ 4,071,517	\$ 1,075,638	.....	\$ 2,995,879	\$1.66
Second Quarter . . .	9,708,528	3,301,769	2,983,569	3,423,190	1,075,791	.....	2,347,399	1.31
Third Quarter	8,337,762	3,262,116	2,984,987	2,090,659	1,075,774	.....	1,014,885	.56
Fourth Quarter . . .	10,543,136	3,224,083	3,046,223	4,272,830	1,075,870	.....	3,196,960	1.77
Total	\$38,988,742	\$13,125,562	\$12,004,984	\$13,858,196	\$ 4,303,073	.....	\$ 9,555,123	\$5.30
1926								
First Quarter	\$11,973,038	\$ 3,065,032	\$ 3,042,156	\$ 5,865,850	\$ 1,688,795	.....	\$ 4,177,055	\$2.32
Second Quarter . . .	12,096,033	3,606,224	3,141,786	5,348,023	1,672,720	.....	3,675,303	2.04
Third Quarter	10,585,064	2,873,037	3,161,049	4,550,978	1,718,645	.....	2,832,333	1.57
Fourth Quarter . . .	10,751,118	2,988,128	3,281,674	4,481,316	1,698,695	.....	2,782,621	1.55
Total	\$45,405,253	\$12,532,421	\$12,626,665	\$20,246,167	\$ 6,778,855	.....	\$13,467,312	\$7.48
1927								
First Quarter	\$11,757,289	\$ 2,883,958	\$ 3,255,293	\$ 5,618,038	\$ 1,697,500	.....	\$ 3,920,538	\$2.18
Second Quarter . . .	11,219,069	2,869,023	3,301,366	5,048,680	1,697,500	.....	3,351,180	1.86
Third Quarter	8,920,716	2,857,318	3,275,345	2,788,053	1,697,500	.....	1,090,553	.61
Fourth Quarter . . .	8,481,825	2,845,962	3,264,492	2,371,371	1,697,500	.....	673,871	.37
Total	\$40,378,899	\$11,456,261	\$13,096,496	\$15,826,142	\$ 6,790,000	.....	\$ 9,036,142	\$5.02
1928								
First Quarter	\$ 9,574,948	\$ 2,838,145	\$ 3,352,085	\$ 3,384,718	\$ 1,697,500	.....	\$ 1,687,218	\$.94
Second Quarter . . .	10,767,959	2,841,636	3,396,995	4,529,328	1,697,500	.....	2,831,828	1.57
Third Quarter	10,491,832	2,809,675	3,409,629	4,272,528	1,697,500	.....	2,575,028	1.43
Fourth Quarter . . .	12,686,397	2,787,423	3,499,626	6,399,348	1,750,000	\$ 1,800,000	2,849,348	2.58
Total	\$43,521,136	\$11,276,879	\$ 13,658,335	\$18,585,922	\$ 6,842,500	\$ 1,800,000	\$ 9,943,422	\$6.52

* Deficit.

(a) Does not include results of operations of properties acquired from Cambria Steel Company and Midvale Steel and Ordnance Company on March 30, 1923.

(b) On average amount of \$155,731,550 Common Stock outstanding during year.

CERTIFICATE OF AUDITORS

NEW YORK, March 1, 1929.

*To the Board of Directors of
Bethlehem Steel Corporation:*

We have examined the books and accounts of the Bethlehem Steel Corporation and its subsidiary companies for the year ended December 31, 1928, and find that the balance sheet at that date and the relative income account are correctly prepared therefrom.

During the year only actual additions have been charged to property account, and the provision for depletion, depreciation and obsolescence is, in our opinion, fair and reasonable.

The inventories of stocks on hand, as certified by the responsible officials, were valued at cost or market, whichever was lower, and the accounts and bills receivable are, in our opinion, good and collectible. Full provision has been made for all ascertainable liabilities, and we have verified the securities and cash on hand, in banks and on call, by actual inspection or by certificates from the depositaries.

We certify that, in our opinion, the balance sheet is properly drawn up so as to show the financial position of the combined companies on December 31, 1928, and the relative income account fairly states the results of the operations for the fiscal year ended at that date.

PRICE, WATERHOUSE & CO.

CONSOLIDATED BALANCE SHEET
December 31, 1928

ASSETS

CURRENT ASSETS:

Cash.....	\$28,470,936	
U. S. Government securities	27,247,838	
Sundry marketable securities	1,980,000	
Preferred stock held for employees less payments on account.....	7,742,698	
Accounts and notes receivable	41,951,684	
Inventories (see page 18)	61,539,137	\$168,932,293
RESERVE FUND ASSETS		6,917,227
SUNDRY SECURITIES, AND REAL ESTATE INSTALLMENT CONTRACTS AND MORTGAGES		3,837,820
FUNDS IN HANDS OF TRUSTEES (see page 20).....		691,311
INVESTMENTS IN AND ADVANCES TO AFFILIATED COMPANIES.....		8,654,700
PROPERTY ACCOUNT (see page 16)		454,322,855
		\$643,356,206

CONSOLIDATED BALANCE SHEET
December 31, 1928

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accrued liabilities	\$ 25,227,323	
Bond interest accrued	2,998,122	
Preferred stock dividend payable January 2, and April 1, 1929	3,447,500	
Common stock dividend payable May 15, 1929	1,800,000	\$ 33,472,945

FUNDED DEBT (see pages 20, 22 and 23) 199,421,172

CAMBRIA IRON COMPANY STOCK (annual rental of 4% payable) 8,465,625

CAPITAL STOCK, SURPLUS AND RESERVES:

7% Cumulative Preferred stock (see page 19)	\$100,000,000		
Common stock (see page 19)	\$180,000,000		
Surplus (see page 15)	114,922,652		
Contingent reserve	2,138,990		
Insurance reserve	4,934,822	301,996,464	401,996,464

\$643,356,206

INCOME ACCOUNT

	1928	1927	INCREASE OR DECREASE
GROSS SALES AND EARNINGS.....	\$294,778,287	\$271,502,891	\$ 23,275,396 Inc.
<i>Deduct</i> —Manufacturing cost, administrative, selling and general expense and taxes.....	253,848,844	234,287,562	19,561,282 Inc.
NET OPERATING INCOME.....	\$ 40,929,443	\$ 37,215,329	\$ 3,714,114 Inc.
<i>Add</i> —Interest, dividends and other miscellaneous income.....	2,591,693	3,163,570	571,877 Dec.
TOTAL INCOME.....	\$ 43,521,136	\$ 40,378,899	\$ 3,142,237 Inc.
<i>Deduct</i> —Interest charges, including premium on securities redeemed.....	11,276,879	11,456,261	179,382 Dec.
BALANCE.....	\$ 32,244,257	\$ 28,922,638	\$ 3,321,619 Inc.
<i>Deduct</i> —Provision for depletion, depreciation and obsolescence.....	13,658,335	13,096,496	561,839 Inc.
NET INCOME (see page 15).....	\$ 18,585,922	\$ 15,826,142	\$ 2,759,780 Inc.

UNAPPROPRIATED SURPLUS ACCOUNT

	1928	SUMMARY SINCE ORGANIZATION
UNAPPROPRIATED SURPLUS, DECEMBER 31, 1927.....	\$ 9,319,230	.....
<i>Add:</i>		
Net income (see page 14).....	18,585,922	\$251,381,816
TOTAL.....	\$ 27,905,152	\$251,381,816
<i>Deduct dividends:</i>		
8% Cumulative convertible preferred stock.....	.....	16,656,551
7% Preferred stocks.....	* 6,842,500	* 41,929,698
Common stock.....	† 1,800,000	† 44,432,980
TOTAL DIVIDENDS.....	\$ 8,642,500	\$103,019,229
BALANCE.....	\$ 19,262,652	\$148,362,587
<i>Deduct:</i>		
Appropriated for, and invested in, additions to property and working capital.....	9,340,000	138,439,935
UNAPPROPRIATED SURPLUS, DECEMBER 31, 1928.....	\$ 9,922,652	\$ 9,922,652

*Includes dividend declared January 24, 1929, and payable April 1, 1929.

†Includes dividend declared January 24, 1929, and payable May 15, 1929.

APPROPRIATED SURPLUS ACCOUNT

(Invested in additions to property and working capital)

APPROPRIATED SURPLUS, DECEMBER 31, 1927.....	\$115,000,000	.....
<i>Add:</i>		
Transferred from unappropriated surplus account.....	9,340,000	\$138,439,935
TOTAL.....	\$124,340,000	\$138,439,935
<i>Deduct:</i>		
Stock dividend.....	.....	\$ 30,000,000
Premium on stock sold, converted or redeemed, less par value of stock represented by cancelled scrip.....	* \$ 660,000	3,439,935
Adjustment of surplus acquired through purchase of properties in 1922 and 1923.....	20,000,000	.....
TOTAL DEDUCTIONS.....	\$ 19,340,000	\$ 33,439,935
APPROPRIATED SURPLUS, DECEMBER 31, 1928.....	\$105,000,000	\$105,000,000

* Decrease.

PROPERTY ACCOUNTS

	1928	SUMMARY SINCE ORGANIZATION
Gross value of properties owned or leased (depletion and amortization deducted), December 31, 1927	\$673,262,205	
Cash expenditures for additions and improvements including unabsorbed charges for development at mines and quarries...	19,943,804	\$418,133,665
Original cost of properties otherwise acquired, less depletion and amortization accrued to date of acquisition as adjusted in 1924 and 1928	* 18,838,425	357,887,023
TOTAL	\$674,367,584	\$776,020,688
<i>Less the following:</i>		
Depletion	\$ 993,937	\$ 7,467,619
Amortization of expenditures for facilities installed for the production of articles and vessels contributing to the prosecution of the world war .....	.....	30,281,301
Original cost of property and equipment dismantled, retired or sold less depletion and amortization provided	18,642,114	83,540,235
TOTAL DEDUCTIONS	\$ 19,636,051	\$121,289,155
Gross value of properties owned or leased (depletion and amortization deducted), December 31, 1928	\$654,731,533	\$654,731,533
<i>Less:</i>		
Reserve for depreciation, etc. (see page 17)	200,408,678	200,408,678
Net property value, December 31, 1928	\$454,322,855	\$454,322,855

* Decrease.

DEPRECIATION, OBSOLESCENCE, RENEWAL AND MAINTENANCE ACCOUNTS

	1928	SUMMARY SINCE ORGANIZATION
BALANCE, DECEMBER 31, 1927.....	\$195,279,896	.....
<i>Add:</i>		
Provided from income.....	12,664,398	\$153,354,243
Provided through charges to current expenses.....	47,484,052	462,657,639
Salvage value of property and equipment dismantled, retired or sold.....	4,314,141	19,810,927
Reserve accrued to date of acquisition on account of properties acquired as adjusted.....	485,990	84,359,084
TOTAL.....	\$260,228,477	\$720,181,893
<i>Deduct:</i>		
Expenditures for repairs, maintenance and development, including rebuilding and relining blast furnace stacks and stoves, coke ovens, melting and heating furnaces and up- keep and replacement of rolls, moulds, stools, charging boxes, foundry flasks, annealing boxes, dies, etc.....	\$ 41,177,685	\$436,232,980
Original cost of property and equipment dismantled, retired or sold, less depletion and amortization provided.....	18,642,114	83,540,235
TOTAL.....	\$ 59,819,799	\$519,773,215
BALANCE, DECEMBER 31, 1928.....	\$200,408,678	\$200,408,678

INVENTORIES

Inventories were valued at cost or market, whichever was lower,
and do not include inter-department profit

	December 31, 1928	December 31, 1927
Ore, cinder and scale.....	\$17,408,280	\$21,755,516
Limestone and other fluxes.....	1,450,802	1,448,476
Fuel and by-products thereof.....	3,332,275	3,096,170
Pig iron, ferro-manganese, iron scrap and carbon steel scrap...	9,497,581	11,201,799
Nickel, nickel steel scrap, alloys, alloy scrap and brass foundry materials and products.....	1,470,542	1,904,805
Manufacturing supplies, lumber, merchandise, etc., not otherwise classified.....	3,928,832	4,340,268
Ingots, blocks and steel and iron castings.....	1,568,551	1,435,087
Blooms, slabs, billets, skelp, bars, rods, sheets, tin plate and axle forgings.....	9,955,183	9,441,129
Structural material, plates, rails and rail accessories.....	4,315,957	4,981,164
Wire and wire products, car wheels, axles, pipe, tubes, bolts, nuts and other miscellaneous finished products.....	4,197,734	3,631,067
Uncompleted contract work, less bills rendered on account.....	3,688,596	3,906,394
Material in transit.....	724,804	553,494
TOTAL.....	\$61,539,137	\$67,695,369

CAPITAL STOCK

7% CUMULATIVE PREFERRED STOCK:

Authorized	\$100,000,000
Issued and outstanding December 31, 1928*	\$100,000,000
Issued and outstanding December 31, 1927	\$ 97,000,000
Issued for cash	3,000,000
Issued and outstanding December 31, 1928	\$100,000,000

COMMON STOCK:

Authorized	\$270,000,000
Unissued	89,710,100
	180,289,900
LESS—Held by Corporation	289,900
Issued and outstanding December 31, 1928	180,000,000
Total Capital stock issued and outstanding December 31, 1928*	<u>\$280,000,000</u>

* Includes shares held for employees under the "Employees' Saving and Stock Ownership Plan."

SUMMARY OF FUNDED DEBT

	1928	SUMMARY SINCE ORGANIZATION
December 31, 1927:		
In hands of public.....	\$ 204,169,447	.....
In treasury.....	46,012,334	.....
TOTAL.....	\$ 250,181,781	.....
Issued for cash:		
Invested in additions to property and working capital.....	83,350	\$ 146,076,460
To retire debt.....		86,953,000
Previously issued or assumed and held in treasury, subsequently applied to sinking fund requirements.....	1,553,000	19,059,000
Issued in payment for properties acquired.....		73,102,000
Issued in exchange for previous issues.....		20,007,000
Issued and retained in treasury.....	*	38,104,000
Assumed on account of properties acquired:†	1,545,000	
In hands of public.....	422,500	94,764,309
In treasury.....	*	1,626,000
TOTAL ISSUED AND ASSUMED.....	\$ 250,687,631	\$ 479,691,769
Retired through sinking fund operations:		
With cash provided through charges against income for depletion and depreciation.....	\$ 4,231,125	\$ 109,434,263
With cash realized from sale of bonds and notes.....		86,953,000
With bonds and notes previously issued or assumed and held in treasury.....	1,553,000	19,059,000
Retired by exchange for subsequent issues.....		19,342,000
TOTAL RETIRED.....	\$ 5,784,125	\$ 234,788,263
December 31, 1928:		
In hands of public.....	\$ 199,421,172	\$ 199,421,172
In treasury.....	45,482,334	45,482,334
TOTAL.....	\$ 244,903,506	\$ 244,903,506

* Decrease.

† Including obligations of subsidiary companies outstanding at date of acquisition of their stocks.

FUNDS IN HANDS OF TRUSTEES AND SINKING FUND OPERATIONS

Cash and securities in hands of trustees, December 31, 1927.....	\$ 810,042	.....
Proceeds from mortgaged property released.....	1,943,837	\$ 31,541,028
Income from cash and securities, deposited with trustees.....		3,854
Cash paid to trustees, less refunds.....	3,859,914	182,371,172
TOTAL.....	\$ 6,613,793	\$ 213,916,054
Amount paid for funded debt matured:		
Par value.....	\$ 5,784,125	\$ 215,446,263
Less net discount.....	† 138,357	2,221,520
TOTAL.....	\$ 5,922,482	\$ 213,224,743
Cash and securities in hands of trustees, December 31, 1928.....	\$ 691,311	\$ 691,311

† Net premium.

DISPOSITION OF CAPITAL, EARNINGS AND OTHER RESOURCES

	ADDITIONS DURING 1928	SUMMARY SINCE ORGANIZATION
CAPITAL, EARNINGS AND OTHER RESOURCES:		
Capital stock issued:		
For cash	\$ 3,000,000	\$113,274,475
For property acquired .....	.....	132,789,900
For stock dividend and conversion, less amount acquired by the Corporation .....	.....	33,935,625
Cambria Iron Company stock .....	.....	8,465,625
Funded debt (see page 20)	* 4,748,275	199,421,172
Current liabilities	3,001,306	33,472,945
Net income	18,585,922	251,381,816
Sundry reserves	* 203,373	7,073,812
TOTAL	\$ 19,635,580	\$779,815,370
DISPOSITION:		
Property accounts (see pages 16 and 17)	*\$23,659,454	\$454,322,855
Surplus acquired through purchase of properties	20,000,000	.....
Investments in and advances to affiliated companies	* 1,178,269	8,654,700
Special funds in hands of trustees (see page 20)	* 118,731	691,311
Reserve fund assets	749,814	6,917,227
Stocks and sundry securities	* 222,047	3,837,820
Dividends:		
In cash (see page 15)	8,642,500	103,019,229
In stock .....	.....	30,000,000
Premium on stock sold, converted or redeemed, less par value of stock represented by cancelled scrip	* 660,000	3,439,935
Cash	11,749,340	28,470,936
Accounts and notes receivable	7,570,047	41,951,684
Inventories (see page 18)	* 6,156,232	61,539,137
Marketable securities	* 1,846,815	29,227,838
Deferred charges	* 115,920	.....
Preferred stock held for employees less payments on account ..	4,881,347	7,742,698
TOTAL	\$ 19,635,580	\$779,815,370

*Decrease.

SCHEDULE OF FUNDED DEBT, DECEMBER 31, 1928

CHARACTER OF DEBT	Rate	Total issued or assumed (a)	In treasury	Purchased for sinking fund or cancelled	In hands of public	Date of maturity
BETHLEHEM STEEL CORPORATION						
CONSOLIDATED MORTGAGE						
Thirty-Year Sinking Fund Gold Bonds—Series A.....	6%	\$90,307,000	(b) \$ 7,561,000	\$32,580,000	\$50,166,000	Aug. 1, 1948
Thirty-Year Sinking Fund Gold Bonds—Series B.....	5½%	41,082,000	(c) 16,512,000	1,628,500	22,941,500	Feb. 1, 1953
Serial Gold Bonds (Sparrows Point Dry Dock).....	6%	1,227,525	.....	.....	1,227,525	(d)
Secured Serial Gold Notes.....	5%	10,000,000	40,000	.....	9,960,000	(e)
BETHLEHEM STEEL COMPANY						
First Lien and Refunding Mortgage Thirty-Year Gold Bonds.....	5%	40,000,000	(f) 14,461,000	12,779,500	12,759,500	May 1, 1942
Eastern Coke Company First Mortgage Fourteen-Year Sinking Fund Gold Bonds (assumed).....	5%	7,000,000	76,000	5,717,000	1,207,000	Feb. 1, 1931
BETHLEHEM-CUBA IRON MINES COMPANY						
The Pennsylvania Steel Company Cornwall Collateral Trust Mortgage Thirty-Year Gold Bonds (assumed).....	5%	5,550,000	107,000	1,951,000	3,492,000	Oct. 1, 1932
Bethlehem Steel Company Cornwall Purchase-Money Mortgage Bonds (assumed).....	5½%	1,566,000	.....	559,000	1,007,000	July 1, 1939
Bethlehem Steel Company Cornwall Ore Banks Purchase-Money Mortgage Twenty-Year Bonds (assumed).....	5½%	1,877,000	.....	440,000	1,437,000	May 1, 1941
Penn-Mary Coal Company First Mortgage Thirty-Year Sinking Fund Gold Bonds (assumed).....	5%	1,545,000	.....	802,000	743,000	Apr. 1, 1939
Union Coal and Coke Company First Mortgage Thirty-Year Sinking Fund Gold Bonds (assumed).....	5%	2,879,000	13,000	528,000	2,338,000	Nov. 1, 1946
Pittsburgh-Westmoreland Coal Company First Mortgage Forty-Year Sinking Fund Gold Bonds (assumed).....	5%	3,929,000	1,072,000	134,000	2,723,000	May 1, 1947
BETH-MARY STEEL CORPORATION						
Bethlehem Steel Company Purchase-Money Mortgage Gold Bonds (assumed).....	6%	7,500,000	.....	.....	7,500,000	Aug. 1, 1998
Bethlehem Steel Company Purchase-Money and Improvement Mortgage Twenty-Year Sinking Fund Gold Bonds (assumed).....	5%	32,934,000	(g) 2,564,000	8,193,000	22,177,000	July 1, 1936
Midvale Steel and Ordnance Company Twenty-Year Convertible Sinking Fund Gold Bonds (assumed).....	5%	(h) 42,655,500	2,049,000	5,015,000	35,591,500	Mar. 1, 1936
Penn-Mary Steel Company First Mortgage Twenty-Year Sinking Fund Gold Bonds (assumed).....	5%	6,660,000	134,000	1,545,000	4,981,000	Jan. 1, 1937
BETHLEHEM IRON & STEEL CORPORATION						
Lackawanna Steel Company First Consolidated Mortgage Gold Bonds (assumed).....	5%	6,891,000	291,000	108,000	6,492,000	Mar. 1, 1950

(a)—Including obligations of subsidiary companies outstanding at date of acquisition of their stocks.

(b)—\$200,000 pledged as collateral under Cornwall Purchase Money Mortgage.

(c)—\$15,000,000 pledged as collateral under Secured Serial Gold Notes.

(d)—\$245,505 due June 30, 1929, and December 31 in each of the years 1929 to 1932, inclusive.

(e)—\$2,500,000 due June 15 in each of the years 1929 to 1932, inclusive.

(f)—Pledged as collateral under Consolidated Mortgage.

(g)—Including \$1,275,000 pledged as collateral under Consolidated Mortgage.

(h)—Including \$1,749,000 held in treasury on March 30, 1923.

SCHEDULE OF FUNDED DEBT—Continued

CHARACTER OF DEBT	Rate	Total issued or assumed (a)	In treasury	Purchased for sinking fund or cancelled	In hands of public	Date of maturity
BETHLEHEM MINES CORPORATION						
Finch Run Coal Company Purchase-Money Mortgage Thirty-Year Sinking Fund Gold Bonds (assumed).....	5%	\$ 4,200,000	\$ 22,000	\$ 1,000	\$ 4,177,000	June 1, 1950
Jamison Coal and Coke Company Dakota Mortgage Sinking Fund Gold Bonds (assumed).....	5%	1,361,000	.....	804,000	557,000	Jan. 1, 1934
Jamison Coal and Coke Company "Barrackville" Purchase-Money and Improvement First Mortgage Gold Bonds (assumed).....	5%	895,000	.....	795,000	100,000	July 1, 1929
Penn-Mary Coal Company First Mortgage Twenty-Year Sinking Fund Gold Bonds (assumed).....	5%	5,000,000	278,000	1,901,000	2,821,000	Oct. 1, 1939
BETHLEHEM SHIPBUILDING CORPORATION, LTD.						
Fore River Shipbuilding Corporation First Mortgage Serial Gold Bonds (assumed).....	5%	750,000	.....	567,000	183,000	(j)
San Francisco Dry Dock Company Net Gold Bonds (assumed).....	5%	500,000	.....	5,000	495,000	Mar. 1, 1931
Union Iron Works Dry Dock Company Sinking Fund Gold Bonds (assumed)...	6%	1,000,000	34,334	670,133	295,533	Oct. 1, 1929
Purchase-Money Mortgage Fifteen-Year Sinking Fund Gold Bonds.....	5½%	2,750,000	.....	1,585,000	1,165,000	Oct. 1, 1936
Purchase-Money Mortgage Fifteen-Year Sinking Fund Gold Bonds.....	6%	900,000	262,000	180,000	458,000	Jan. 1, 1940
The Atlantic Works First Mortgage Sinking Fund Gold Bonds (assumed).....	6%	422,500	6,000	162,000	254,500	Jan. 1, 1938
THE MANUFACTURERS WATER COMPANY						
First Mortgage Sinking Fund Gold Bonds..	5%	2,500,000	.....	892,000	1,608,000	June 1, 1939
		\$323,881,525	\$45,482,334	\$ 79,542,133	\$198,857,058	
Miscellaneous Real Estate Mortgages....					564,114	
					\$199,421,172	

(j)—Approximately \$38,000 due July 1 in each of the years 1929 to 1933, inclusive.

PROPERTIES OWNED OR LEASED BY SUBSIDIARY COMPANIES

STEEL AND MANUFACTURING PLANTS

Pig iron capacity as of Jan. 1, 1929 - 6,960,000 tons

Steel capacity as of Jan. 1, 1929 - 8,000,000 tons

<i>Plant</i>	<i>Location</i>
BETHLEHEM PLANT.....	BETHLEHEM, PA.
CAMBRIA PLANT.....	JOHNSTOWN, PA.
COATESVILLE PLANT.....	COATESVILLE, PA.
HARLAN PLANT.....	WILMINGTON, DEL.
LACKAWANNA PLANT.....	LACKAWANNA, N. Y.
LEBANON PLANT.....	LEBANON, PA.
MARYLAND PLANT.....	SPARROWS POINT, MD.
MOORE PLANT.....	ELIZABETHPORT, N. J.
STEELTON PLANT.....	STEELTON, PA.

SHIPBUILDING AND SHIP REPAIR PLANTS

<i>Plant</i>	<i>Location</i>
BALTIMORE PLANT.....	SPARROWS POINT AND BALTIMORE, MD.
FORE RIVER PLANT.....	QUINCY, MASS.
BOSTON PLANT.....	BOSTON, MASS.
UNION PLANT.....	ALAMEDA AND SAN FRANCISCO, CAL.
UNION PLANT—SAN PEDRO WORKS.....	LOS ANGELES, CAL.

EQUIPMENT

1,500 By-product coke ovens with apparatus for the recovery and rectification of benzol products	1 Drop forge department
1 Sintering department	1 Axle forging department
1 Calcining department	2 Steel foundries
33 Blast furnaces	8 Iron foundries
11 Bessemer converters	9 Brass foundries
131 Open hearth furnaces	1 Foundry (steel, iron and brass)
3 Electric furnaces	1 Ingot mould foundry
11 Puddling furnaces	1 Roll foundry
26 Charcoal iron knobbling furnaces	1 Armor plate department
13 Blooming mills	1 Gun department
2 Slabbing mills	1 Forge specialty and projectile department
12 Billet-sheet bar-skelp mills	1 Steel treatment department
3 "Bethlehem" special structural shape mills	3 Commercial machine shops
6 Standard structural shape mills	5 Ship machine shops
2 Universal plate mills	1 Auto. truck steel wheel department
7 Sheared plate mills	2 Steel freight car departments
1 Universal and sheared plate mill	1 Wood freight car department
3 Rail mills	1 Passenger train car plant
2 Bar and structural shape mills	1 Special machinery manufacturing plant
28 Bar mills	1 Small tool department
2 Wire rod mills	4 Structural fabricating shops
2 Butt weld pipe mills	7 Ship fabricating shops
2 Lap weld pipe mills	3 Ship boiler shops
1 Tube mill	2 Splice bar and tie plate shops
1 Puddle mill	2 Frog and switch departments
1 Muck bar mill	4 Bolt, nut and spike factories
2 Rolled steel wheel mills	1 Rail anchor shop
48 Tin plate mills	1 Agricultural implement shop
35 Tinning stacks	1 Plate flanging and pressing department
12 Sheet mills—double	1 Brickyard
2 Sheet jobbing and light plate mills	2 Harbors
4 Galvanizing pots	3 Ore unloading plants
2 Wire drawing departments	26 Building ways with cranes
2 Nail departments	7 Graving docks
2 Barbed wire departments	9 Floating dry docks
1 Woven fence department	7 Marine railways
2 Wire galvanizing departments	6229 Acres of manufacturing site
1 Cold drawing department	8089 Acres of other real estate
2 Press and hammer forge shops	3280 Dwellings, stores, welfare and miscellaneous buildings for employees.

IRON ORE PROPERTIES

Two-thirds interest in Corsica Iron Company, two-thirds interest in Hobart Iron Company, one-half interest in Mahoning Ore and Steel Company (held under Cambria Iron Company lease), nine-twentieths interest in Hoyt Mining Company, and two-ninths interest in Bennett Mining Company, which operate under lease properties in the Mesaba Range.

Full ownership of Sunday Lake Iron Company, two-fifths interest in Plymouth Mining Company, and one-half interest in Odanah Iron Company, which operate under lease properties in the Gogebic Range.

One-half interest in the Negaunee Mine Company, and fifty-one one-hundredths interest in Palmer Mining Company, which operate under lease properties in the Marquette Range.

Full ownership of Penn Iron Mining Company (held under Cambria Iron Company lease) and one-half interest in The Verona Mining Company, which operate under lease properties in the Menominee Range.

One-fourth interest in Vermillion Mining Company, which operates under lease properties in the Vermillion Range.

Three-fifths interest in Cuyuna Ore Company which operates properties under lease and three-fifths interest in Lehigh Ore Company which has an interest in a mining company operating properties under lease in the Cuyuna Range.

The share interest in the above mentioned properties makes available approximately 7,200,000 tons of iron ore per annum.

Ore mines located in Cornwall Borough, Pa., and concentrating and sintering plant in Lebanon, Pa., equipped to produce 850,000 tons sintered ore per annum.

Tofo Iron Ore Mines located near Cruz Grande in province of Coquimbo, Chile, operated under long term lease and equipped to produce 1,500,000 tons of iron ore per annum.

Undeveloped property located in the state of Michoacan, Republic of Mexico.

Property located near Santiago on south coast of Cuba equipped to produce 315,000 tons of iron ore per annum.

Property and mineral rights located near Nipe Bay, on north coast of Cuba, equipped to produce 500,000 tons of nodules per annum.

The iron ore properties referred to (excluding those on the north coast of Cuba, and in Mexico, and excluding interest of others in properties not owned outright) are estimated to contain 176,588,000 tons of iron ore.

COAL PROPERTIES

Developed coal properties in the vicinity of Ellsworth, Heilwood, Johnstown, Marianna, Slickville and Wehrum, Pennsylvania; Fairmont and Morgantown, West Virginia.

These properties are estimated to contain 754,154,000 tons of coal and are equipped to produce 12,720,000 tons per annum.

LIMESTONE PROPERTIES

Quarries located at Bethlehem, Bridgeport, Hanover, Lebanon, Naginay, Steelton and York, Pennsylvania; McAfee, New Jersey; Felton, Cuba; and undeveloped properties in Blair and

Center counties, Pennsylvania; and Pekin, New York. The developed properties are estimated to contain 199,279,000 tons of calcite and dolomite limestone and are equipped to produce 2,255,000 tons per annum for consumption at the steel plants and 425,000 tons for building and road purposes.

RAILROADS

Seven railroad companies operating in the vicinity of plants located at Bethlehem, Johnstown, Lebanon and Steelton, Pennsylvania; Lackawanna, New York; Sparrows Point, Maryland; and Quincy, Massachusetts.

These railroads own and operate 139 standard gauge steam locomotives, 1 electric locomotive, 175 seventy-ton standard gauge cars and approximately 384 miles of main line, yard tracks and sidings, connecting with other common carrier railroads.

In addition to the above, 14 standard gauge locomotives and 96 miles of main line, yard track and sidings are owned and operated in conjunction with the steel plants.

OCEAN TRANSPORTATION

Three ore and oil carrying vessels of 20,000 d. w. t. capacity each; two ore and coal carrying vessels of 20,000 d. w. t. capacity each; three ore carrying vessels of 11,600 d. w. t. capacity each, one ore and coal vessel of 6,000 d. w. t. capacity, and seven general cargo carrying vessels of 64,585 total d. w. t. capacity; and under charter two ore and coal carrying vessels of 20,000 d. w. t. capacity each.

LAKE TRANSPORTATION

Eight vessels with a total carrying capacity per trip of 77,385 gross tons, and one-half interest in five additional vessels with a total carrying capacity per trip of 48,200 gross tons, and under charter one vessel with a carrying capacity per trip of 13,000 gross tons. These vessels have a total carrying capacity per season of approximately 3,325,000 gross tons of iron ore, and are also suitable for carrying coal, limestone and grain; also under charter two vessels with a total carrying capacity per season of 135,000 gross tons of steel and iron products and are also suitable for carrying return cargoes of scrap.

PRODUCTS

AGRICULTURAL STEEL AND SPECIALTIES—Standard and special shapes and sections for all purposes and finished agricultural implement parts.

ARMOR PLATE.

AUTOMOBILE STEEL—For forgings and machined parts, wheel rim sections, springs and axles, and brake drums.

AUTOMOBILE TIRE MOULDS AND RINGS—ROLLED STEEL.

AUXILIARY LOCOMOTIVES—Four and six-wheel designs.

AXLES—Passenger and freight train car, engine and tender truck, driving, motor, electric and mine car, etc.

BARS, IRON—Refined and double refined; chain, staybolt, special staybolt, horseshoe, enginebolt and muck bar.

BARS AND BANDS, STEEL—Bessemer, open hearth and electric; alloy, special and carbon steels; black as rolled, annealed heat treated, cold drawn; S. A. E. specifications and special analysis, suitable for all purposes. Special sections either hot rolled or cold drawn.

BARS, CONCRETE REINFORCING STEEL—Plain, deformed and special. Wedge clamp joints.

BILLETS, BLOOMS AND SLABS, STEEL—Bessemer, open hearth and electric; alloy, special and carbon steels; re-rolling and forging quality.

BLANKS, ROLLED—For gears, pistons, fly wheels, double flanged track wheels, shaft couplings, pipe flanges, brake drums and other circular forgings.

BOILERS—"Bethlehem" Marine, Scotch and Yarrow types.

BOILER HEADS—Flanged and dished.

BOILER TUBES, LAP WELDED—Genuine knobbed charcoal iron, and steel.

BOLTS—All kinds: plain and galvanized; machine and special; heat treated, carbon and alloy; "Mayari" steel frog, track and fitting-up bolts, hollow and solid stay bolts.

BRIDGES AND FABRICATED BUILDINGS—Design, fabricate and erect all types of steel bridges and structures, towers, pier caissons, tanks and buckle plates, oil refinery plants.

BY-PRODUCTS—Gas, tar, ammonium sulphate, crude naphthalene and benzol and its homologues; copper pyrites, etc.

CAR BUILDING SHAPES—Beams, channels, angles, bulb angles, center sills, and Z-bars.

CARS, MINE—All types.

CARS, PASSENGER TRAIN—Passenger, baggage, express, mail, combination passenger and baggage, baggage and mail and other combinations, private and special cars.

CARS, FREIGHT—Ballast, gondola, hopper, flat, tank and box; underframes and trucks; forged, pressed and fabricated car parts.

CAR WHEELS, ROLLED STEEL—For freight and passenger train cars; engine and tender trucks; street, interurban, elevated and subway cars; mine locomotives and cars; cinder, ore and other industrial cars.

CASTINGS—Carbon and alloy steel (open hearth, electric and converter), manganese steel, stainless-clad steel, iron, brass and bronze; rough as cast or machined, tunnel segments. Centrifugal cast bronze sleeves and liners.

COAL—Coking, gas and steam.

COKE—Furnace, foundry and domestic.

DROP FORGINGS AND UPSETTER FORGINGS—Special designs, large and small sizes, in carbon and alloy open hearth and electric high speed and stainless steels; copper, brass, bronze and monel metal. Annealed or heat treated if desired.

ENGINES—Steam, gas, "Bethlehem" large unit type and "Bethlehem-Trout" oil engines for marine and land service.

FENCING—"Cambria" woven wire for field, poultry and all other purposes, fence posts.

FERRO-MANGANESE.

FORGINGS—Hammered and hydraulically pressed; all sizes; solid and hollow; rough and finish machined; for marine and stationary engines, locomotives, machine tools; ship shafting; hardened steel rolls; weld-less chambers for oil refineries; tool joints for drills, seamless pen-stocks; high pressure boiler drums, etc.

FROGS AND SWITCHES—Frogs, switches, guard rails, crossings, switch stands, steam and street railway special work. Manganese steel trackwork of every description. Light rail trackwork for mines and industrial plants.

FUEL OIL BURNING SYSTEMS—"Bethlehem-Dahl" mechanical type.

GEARS AND PINIONS—Cut and cast bevel; spur, with straight or herringbone cut teeth, any size; mill reduction gearing and pinions; for bridge operating machinery.

PRODUCTS—Continued

INGOTS—Forging.

INGOT MOULDS, STOOLS AND BOTTOM PLATES—All Sizes.

MACHINERY—Hydraulic presses, pumps, accumulators, intensifiers, plate bending rolls, planers, multiple drills, punches, large vertical boring mills, rolling mill machinery, heavy duty roll lathes, pulverizers, vulcanizing plates and presses, mechanical doublers, mining and milling machinery, retorts, auxiliary power plant equipment for land and marine service, ship deck machinery, special machinery of all types and designs.

MINE TIES—Steel.

MOTOR TRUCK WHEELS, ROLLED STEEL—Pressed and shaped from "Bethlehem" I-beams.

NAILS, WIRE—All kinds and sizes; smooth and barbed; light and heavy; common, finishing; galvanized, cement coated, annealed and bright; oval and flat head; diamond and chisel point; spikes; wire staples for fence and poultry netting.

NUTS—Hot and cold pressed; all sizes, shapes and standards; blank or tapped, cold punched, chamfered, trimmed and reamed; semi-finished; castle.

OIL WELL EQUIPMENT.

ORDNANCE—Guns; gun and shell forgings.

PARAFFINE WAX PLANT EQUIPMENT.

PIG IRON—Basic, bessemer, semi-bessemer, foundry, low phosphorus, malleable, malleable bessemer, and "Mayari."

PILING—"Lackawanna" steel sheet piling; straight, arched, deep-arched and bent webs; fabricated corners, taper piles.

PIPE, BUTT AND LAP WELDED STEEL—Casing and tubing for all purposes.

PIPE COUPLINGS—Forged.

PLATES—Universal and sheared; circular (heads) in all grades for all purposes; flanged, dished and miscellaneous pressed work.

POLE LINE MATERIAL—Black and galvanized.

PROPELLERS—Contra propellers for all type vessels.

PULVERIZERS—For coal and other materials.

RAILS AND ACCESSORIES—Standard tee, girder, guard, high tee and light rails; splice bars, rail joints, tie plates, bolts, nuts, rail clips, spikes, and rail anchors.

RODS, WIRE—Basic and acid open hearth, and bessemer.

ROLLS—Carbon and alloy steel; chilled and sand cast iron.

SHAFTS, FORGED—All kinds.

SHEET BARS—Open hearth and bessemer.

SHEETS, BLACK, BLUE ANNEALED AND GALVANIZED—Blued stove pipe, deoxidized. V-crimped and roll roofing, etc.

SHIPBUILDING SHAPES—Ship channels and bulb angles.

SKELP—Universal and Sheared.

SPIEGELEISEN.

SPIKES, STEEL—Standard railroad, screw track, universal screw, boat, dock and wharf; pressed and rolled.

STRUCTURAL SHAPES—"Bethlehem" beams, girder beams and columns, "Bethlehem" joists and stanchions; standard beams, channels, and angles; car and shipbuilding shapes; standard and special T and Z bars; plain and fabricated; rolled steel slabs for column bases.

TIN PLATE—Coke tin plates, black plates, enameling and galvanizing stock.

TOOL STEEL—"Bethlehem" special high speed; carbon, finishing, non-shrinkable, rock and mine drill, solid and hollow, stainless, 25% to 35% nickel, permanent magnet, and other special grades.

TOOLS—Rivet sets, punches and dies, chisel blanks and chisels, hot and cold friction saws, steel stamps (letters and figures for hot and cold work), slitting shears, shear blades, tool bit holders and special tools.

TRACKWORK, MINE AND INDUSTRIAL—Light rails, steel mine ties, frogs and switches, switch stands, rail braces, splice bars, track bolts and spikes.

TURBINES—"Bethlehem" geared marine, Curtis type.

TURNABLES, RAILROAD—"Bethlehem" twin-span; balanced and continuous.

VESSELS—Passenger, combination passenger and cargo ships, oil tankers, freighters, refrigerating ships, car floats, ferry boats, yachts, tugs, barges, dredges; battleships, battle cruisers, scout cruisers, destroyers, and submarines.

VESSEL REPAIRS—Repairing, reconditioning, converting and dry docking all types and sizes.

WHEELS—Rolled steel car and motor truck.

WIRE—Plain, bolt, screw, extra soft rivet, hard bright nail and galvanized; "Cambria" barless twisted and all styles of barbed wire; wire bale ties, wire nails, fencing and rods.

SUBSIDIARY COMPANIES

NAME	INCORPORATED	
	STATE	DATE
Bethlehem Chile Iron Mines Company	Delaware	Jan. 18, 1913
Bethlehem-Cuba Iron Mines Company	West Virginia	June 29, 1889
Bethlehem Iron & Steel Corporation	New York	Apr. 22, 1908
Bethlehem Land and Improvement Corporation	New York	Apr. 20, 1923
Bethlehem Mines Corporation	Delaware	Nov. 23, 1917
Bethlehem Securities Company	Pennsylvania	June 28, 1916
Bethlehem Shipbuilding Corporation, Ltd.	Delaware	Oct. 15, 1917
Bethlehem Steel Company	Pennsylvania	Apr. 17, 1899
Bethlehem Steel Company	Delaware	Feb. 6, 1923
Bethlehem Steel Company of Brazil	Delaware	Apr. 8, 1920
Bethlehem Steel Export Corporation	Delaware	Sept. 22, 1922
Bethlehem Steel Products Company	Pennsylvania	Oct. 8, 1908
Bethlehem Steel Realty Corporation	Pennsylvania	Jan. 31, 1907
Bethlehem Transportation Corporation	Delaware	Feb. 19, 1925
Beth-Mary Steel Corporation	Maryland	Dec. 22, 1921
Buena Vista Iron Company	New Jersey	Feb. 2, 1910
Buffington Water Company	Pennsylvania	Dec. 28, 1900
Calmar Steamship Corporation	Delaware	July 29, 1927
Cambria Inclined Plane Company	Pennsylvania	Sept. 6, 1889
Cambria Iron Company *	Pennsylvania	Aug. 27, 1852
Citizens Realty Company of Bethlehem	Pennsylvania	May 31, 1916
Compania de Minas de Fierro "Las Truchas" S. A.	Mexico	Jan. 20, 1919
Conemaugh & Black Lick Railroad Company	Pennsylvania	Dec. 31, 1923
Cornwall Railroad Company	Pennsylvania	May 25, 1850
Dundalk Company, The	Maryland	May 5, 1917
Dundalk Sewerage Company, The	Maryland	Apr. 22, 1918
Dundalk Water Company, The	Maryland	Apr. 22, 1918
East Wheatfield Water Company	Pennsylvania	Dec. 28, 1900
Ellsworth Collieries Company	Pennsylvania	Oct. 13, 1925
Fore River Railroad Corporation	Massachusetts	Jan. 6, 1919
Fore River Shipbuilding Corporation	Massachusetts	May 15, 1913
Franklin Iron Company, The	New Jersey	Mar. 14, 1871
Juragua Iron Company	Pennsylvania	Nov. 18, 1903
Lebanon Consolidated Water Company	Pennsylvania	Feb. 6, 1925
Lebanon County Light, Heat and Fuel Company, The	Pennsylvania	Dec. 27, 1904
Manufacturers Water Company, The	Pennsylvania	Feb. 19, 1900
Midvale Steel Company, The	Pennsylvania	Dec. 14, 1880
Northampton County Water Company	Pennsylvania	Jan. 6, 1916
Ore Steamship Corporation	Delaware	Aug. 2, 1915
Patapsco & Back Rivers Railroad Company	Maryland	Dec. 26, 1916
Penn Iron Mining Company	Michigan	June 26, 1882
Penn Iron Mining Company of Wisconsin	Wisconsin	Feb. 9, 1915
Penn Store Company	Michigan	Mar. 31, 1902
Philadelphia, Bethlehem and New England Railroad Company	Pennsylvania	Apr. 12, 1910
Pine Township Water Company	Pennsylvania	Feb. 10, 1903
Possum Glory Water Company	Pennsylvania	Feb. 10, 1903
Redington Standard Fittings Company	Delaware	July 1, 1919
Service Stores Corporation	Pennsylvania	Nov. 15, 1904
South Buffalo Railway Company	New York	Apr. 25, 1899
Steelton & Highspire Railroad Company	Pennsylvania	Nov. 16, 1916
Sunday Lake Iron Company, The	Michigan	Feb. 28, 1900
Union Iron Works Company	New Jersey	Jan. 7, 1905
Union Iron Works Dry Dock Company	California	Feb. 1, 1909

* The \$8,465,625 capital stock is outstanding in hands of the public. Bethlehem Steel Products Company has agreed to pay an amount equal to 4% per annum thereon as rental for property held under 999 year lease.

SALES OFFICES

BETHLEHEM STEEL COMPANY

GENERAL SALES OFFICE

BETHLEHEM, PA.

DISTRICT OFFICES

NEW YORK CITY
CUNARD BUILDING
PHILADELPHIA, PA.
WIDENER BUILDING
BALTIMORE, MD.
CONTINENTAL BUILDING
BOSTON, MASS.
ATLANTIC NATIONAL BANK BUILDING
BUFFALO, N. Y.
MARINE TRUST BUILDING
WASHINGTON, D. C.
WILKINS BUILDING

PITTSBURGH, PA.
OLIVER BUILDING
CLEVELAND, OHIO
UNION TRUST BUILDING
CINCINNATI, OHIO
UNION TRUST BUILDING
DETROIT, MICH.
PENOBSCOT BUILDING
ATLANTA, GA.
HEALEY BUILDING
THE HAGUE, HOLLAND
(EUROPEAN AGENCY)

CHICAGO, ILL.
PEOPLES GAS BUILDING
ST. LOUIS, MO.
ARCADE BUILDING
SAN FRANCISCO, CALIF.
MATSON BUILDING
LOS ANGELES, CALIF.
PACIFIC FINANCE BUILDING
SEATTLE, WASH.
L. C. SMITH BUILDING
HONOLULU, HAWAII
CASTLE & COOK BLDG.

BETHLEHEM STEEL EXPORT CORPORATION

GENERAL SALES OFFICE

NEW YORK CITY
CUNARD BUILDING

FOREIGN OFFICES

TORONTO, CANADA
ROYAL BANK BUILDING
MONTREAL, CANADA
437 ST. JAMES STREET
VANCOUVER, B. C.
STANDARD BANK BUILDING

HAVANA, CUBA
ROYAL BANK BUILDING
SAN JUAN, PORTO RICO
MEXICO CITY, MEXICO

TOKIO, JAPAN
NIPPON YUSEN KAISHA BLDG.
MANILA, P. I.
BUENOS AIRES, ARGENTINA

BETHLEHEM SHIPBUILDING CORPORATION, LTD.

GENERAL SALES OFFICE

NEW YORK CITY
CUNARD BUILDING

DISTRICT OFFICES

BALTIMORE, MD.
CANTON HOUSE
BOSTON, MASS.
ATLANTIC NATIONAL BANK BUILDING

WASHINGTON, D. C.
WILKINS BUILDING
SEATTLE, WASH.
L. C. SMITH BUILDING

SAN FRANCISCO, CALIF.
MATSON BUILDING
LOS ANGELES, CALIF.
PACIFIC FINANCE BUILDING

